

whether or not the instances quoted above are sound or accurate examples of the term “differential rating,” we entirely agreeing with them that that term has no fixed meaning either in legal or in railroad parlance.

In conclusion, we think we may sum up the sense in which “differential rating” is used by the League here, in the words of section 3 of the United States Inter-State Commerce Act, as any system of rating which may tend to “give any undue or unreasonable preference or advantage to “any particular person, company, firm, corporation, or locality, or any particular description of “traffic, in any respect whatsoever, or to subject any particular person, company, firm, corporation, “or locality, or any particular description of traffic to any undue or unreasonable prejudice or disadvantage in any respect whatsoever.”

We have, &c.,

C. Hudson, Esq.,

DEVORE AND COOPER.

District Traffic Manager, Railway Department, Auckland.

The RAILWAY COMMISSIONERS to the DISTRICT RAILWAY MANAGER, Auckland.

In re your memo., No. 89/1673, of 22nd October.—“Differential rating.”

Wellington, 28th October, 1889.

THE Commissioners are indebted to Messrs. Devore and Cooper for endeavouring to learn and explain what the Railway Reform League means by “differential rating.”

The many meanings said by Messrs. Devore and Cooper to be attached by the League to the term “differential rating” might be supplemented by a great many more, according to individual views.

The objectionable practices such as are known as unjust discrimination, undue or unreasonable personal preferences, drawbacks, rebates, discounts, allowances, secret rating, &c., are not in operation on the New Zealand Government railways, and never have been.

The practice in rating in operation on the New Zealand railways does not go beyond that sanctioned by the Inter-State Commerce Act referred to.

Messrs. Devore and Cooper state they cannot “say whether the introduction of the stage “system is or is not open to the same objections and liable to the same abuses as they claim arise, “or may arise, in the present system.”

The Commissioners have looked up information supplied to the Parliamentary Committee of 1886, to whose report the Secretary of the League has referred them.

They find this “stage system” introduces such fares as the following, according to some data furnished to the Committee:—

					s.	d.
Otahuhu to Papakura, 11 miles	...	...	...	...	1	0 fare.
New Lynn to Auckland, 10 miles	...	...	...	...	1	0 "
Mercer to Frankton, 42 miles	...	...	...	...	0	6 "
Buckland to Henderson, 42 miles	...	...	...	...	3	6 "

It appears to be the defect of this “stage system” that such extreme divergencies in fares should be created. The passenger from New Lynn to Auckland is to be charged 1s. for 10 miles, while one from Mercer to Frankton is only to be charged 6d. for 42 miles.

This makes a local preference to an extent quite unknown in ordinary practice.

As Messrs. Devore and Cooper do not seem to have learned of this aspect of the “stage “system” to which the Commissioners have been referred by the Secretary of the League, you may refer this letter to them for their information.

The “stage system” is, of course, as liable to abuse as the ordinary practice.

For the Commissioners,

E. G. PILCHER, Secretary.

The District Traffic Manager, Auckland.

APPENDIX D.

MEMORANDUM in reply to the NEW ZEALAND RAILWAY COMMISSIONERS.

As with your letter of the 7th instant you were pleased to forward some printed correspondence between yourselves, your Auckland solicitors, and your local traffic manager, the League presumes that this is intended to be part of your reply.

You commence by stating that the League has for one of its objects the total abolition of differential rating, and then say, “It is somewhat difficult for those who have studied and dealt with railway-rates extensively, and who understand the magnitude and intricacy of the subject, to understand the precise nature of this object, as the term ‘differential rating’ may cover a large field. In English law relating to railways such an expression is never met with; nor is it in American law, which is very extensive both in the individual and general State legislation.”

The first portion of this paragraph clearly implies, if, indeed, it does not state, that those who have had most to do with railway-working have the greatest difficulty in understanding what is meant by differential rating. It appears to the League that this is one of the strongest arguments why such a pernicious practice should be at once abandoned. It is evident on your own showing